

FILE

FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554
MAR 2 2004

**OFFICE OF
MANAGING DIRECTOR**

Rogena Harris, Esq.
Teleglobe
One Discovery Square
12010 Sunset Hills Road
Reston, VA 20190-5856

Re: Teleglobe America Inc.
FY 2003 Regulatory Fees
Fee Control No. 0309268835705010

Dear Ms. Harris:

This is in response to your request dated September 25, 2003, filed on behalf of Teleglobe America Inc. (Teleglobe America), a facilities-based common carrier, for a refund of fiscal year (FY) 2003 international bearer circuit regulatory fees. Our records reflect that Teleglobe America paid the \$109,277.42 FY 2003 regulatory fees at issue here.

You recite that on September 18, 2002, Teleglobe USA Inc. (Teleglobe USA) and certain of its affiliates (Teleglobe USA Sellers) entered into a purchase agreement (Purchase Agreement) with TLGB Acquisition LLC (an affiliate of Teleglobe America) and certain affiliates (Teleglobe America Buyers) in which the Teleglobe USA Sellers agreed to sell certain assets to the Teleglobe America Buyers. On May 28, 2002, Teleglobe USA filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (Bankruptcy Court). You state that after approving the Purchase Agreement on October 10, 2002, the Bankruptcy Court on May 20, 2003 authorized Teleglobe USA Sellers to consummate the sale, which subsequently occurred on May 30, 2003. You state that Teleglobe America filed a request with the Commission to transfer Teleglobe USA's cable landing licenses to Teleglobe America.

In support of your request, you assert that "[i]t is an unwarranted hardship on a start-up company [such as Teleglobe America] to pay fees based upon the last year's circuit configuration of another company, some of which circuits Teleglobe America did not acquire." You state that Teleglobe America did not "acquire[] from Teleglobe USA at least 5,876 of the circuits upon which this fee is based." You explain that "[a]s part of the bankruptcy process, the circuits held by Debtor-in-Possession Teleglobe USA Sellers were evaluated in terms of their usefulness to the Teleglobe America Buyers . . . [and]

Telelobe America Buyers instructed the Telelobe USA Sellers to reject unneeded circuits, including at least 5,876 64KB or equivalent circuits listed on Telelobe USA's December 31, 2002 international circuit status report." Stating that it is the Commission's "practice" to "reconcil[e] its regulatory responsibilities with the goals of the Bankruptcy Act[.]" you assert that a grant of a full waiver would allow Telelobe America to become "an effective competitor in the telecommunications marketplace, unburdened . . . by financial obligations attributable to the operations of Telelobe USA." As an alternative to a full waiver of the regulatory fees, you request a waiver of the portion of the regulatory fees attributable to Telelobe USA's use of the international bearer circuits during the period prior to Telelobe USA's filing of the bankruptcy petition (i.e., the period between January 1, 2002 and May 28, 2002).¹

The assignment of interests in the cable landing licenses for the international bearer circuits at issue here to Telelobe America was consummated on May 30, 2003, and Telelobe America provided the Commission with notification of this assignment in accordance with section 1.767(g)(7) of the Commission's rules, 47 C.F.R. §1.767(g)(7).² We therefore find that Telelobe America was the licensee of the cable landing licenses at issue here and that Telelobe America is therefore responsible for the regulatory fees associated with the international bearer circuits reflected on Telelobe USA's December 31, 2002 international circuit status report.³ However, because Telelobe America did not acquire 5,876 international bearer circuits reflected on Telelobe USA's December

¹ You calculate that the portion of the regulatory fees attributable to the period preceding the filing of the bankruptcy petition inclusive of the fees attributable to the 5,876 circuits that Telelobe America did not acquire to be \$44,649.16. You calculate the portion of the regulatory fees attributable to the period preceding the filing of the bankruptcy petition exclusive of the fees attributable to the 5,876 circuits to be \$38,238.48. In calculating that amount, you state that the regulatory fees for the entire 2003 fiscal year exclusive of the fees attributable to the 5,876 circuits to be \$93,583.50. (The amount that Telelobe paid for FY 2003 (i.e., \$109,277.42) included the fees attributable to the 5,876 circuits that Telelobe did not acquire.)

² See *Public Notice, International Authorizations Granted*, DA No. 03-3231 (dated: Oct. 16, 2003) (*Public Notice*) (announcing the notification of the *pro forma* assignment of interests in submarine cable landing licenses to Telelobe America; also stating that "[t]his *pro forma* assignment was consummated May 30, 2003 in conjunction with the substantive assignment of the licenses from Telelobe USA, Inc. to Telelobe USA LLC").

³ See *Assessment and Collection of Regulatory Fees for Fiscal Year 2003*, 18 FCC Rcd 15,985, 15,995, para. 32(c) (2003) ("For facilities-based common carriers with active international bearer circuits, the [regulatory] fee is based on the circuit count as of December 31, 2002. Also, as stated previously, in instances where a license or permit is transferred or assigned after October 1, 2002, responsibility for payment rests with the holder of the license or permit at the time payment is due.").

31, 2002 international circuit status report, we find good cause to waive the regulatory fees associated with those 5,876 international bearer circuits.⁴

To the extent that you assert that it would be a financial hardship for Teleglobe America to pay any regulatory fees, the Commission may waive, reduce, or defer regulatory fees only upon a showing of good cause and a finding that the public interest will be served thereby.⁵ The Commission will waive, reduce or defer its regulatory fees in those instances where a petitioner presents a compelling case of financial hardship.⁶ Ratees can establish financial hardship by submitting

information such as a balance sheet and profit and loss statement (audited, if available), a cash flow projection . . . (with an explanation of how calculated), a list of their officers and their individual compensation, together with a list of their highest paid employees, other than officers, and the amount of their compensation, or similar information. 10 FCC Rcd at 12761-12762.

In the absence of such documentation, or other relevant showing, you have failed to establish a compelling case for relief on the basis of financial hardship. In view of your allegations regarding financial hardship, however, you may refile your request, along with appropriate supporting documentation establishing that Teleglobe America meets the standards set forth above, within 30 days of the date of this letter.

With respect to your request for a waiver of the regulatory fees attributable to Teleglobe USA's use of the international bearer circuits between January 1, 2002 and May 28, 2002 based upon the Commission's policies regarding bankrupt entities, the Commission has stated that evidence of bankruptcy or receivership is sufficient to establish financial

⁴ See 47 U.S.C. §159(d) (the Commission may waive, reduce, or defer regulatory fees only upon a showing of good cause and a finding that the public interest will be served thereby); 47 C.F.R. §1.1166; see also *Implementation of Section 9 of the Communications Act, Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year, Report and Order*, 9 FCC Rcd 5333, 5344 (1994), on recon., *Memorandum Opinion and Order*, 10 FCC Rcd 12759 (1995) (regulatory fees may be waived, deferred, or reduced on a case-by-case basis in extraordinary and compelling circumstances upon a clear showing that a waiver would override the public interest in reimbursing the Commission for its regulatory costs).

⁵ See 47 U.S.C. §159(d); 47 C.F.R. §1.1166; see also *Implementation of Section 9 of the Communications Act, Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year, Report and Order*, 9 FCC Rcd at 5344, on recon., *Memorandum Opinion and Order*, 10 FCC Rcd at 12761 (regulatory fees may be waived, deferred, or reduced on a case-by-case basis in extraordinary and compelling circumstances upon a clear showing that a waiver would override the public interest in reimbursing the Commission for its regulatory costs).

⁶ See *Implementation of Section 9 of the Communications Act*, 9 FCC Rcd at 5346.

hardship for purposes of a waiver of the regulatory fees.⁷ The Commission therefore “will waive the regulatory fees for *licensees* whose stations are bankrupt, undergoing Chapter 11 reorganizations or in receivership.”⁸ The Commission’s policy of granting waivers on the basis of bankruptcy provides no support for a grant of your waiver request where the licensee (i.e., Teleglobe America) is not in bankruptcy. We therefore deny your request on this basis. We further find that the fact that Teleglobe USA filed a petition for bankruptcy relief on May 28, 2002, provides no basis for a refund of the FY 2003 regulatory fees paid by Teleglobe America.⁹

We therefore grant your request for a waiver of Teleglobe America’s FY 2003 regulatory fees to the extent stated herein and deny it in all other respects.

A check made payable to the maker of the original and drawn in the amount of \$15,693.92 (representing the regulatory fees attributable to the 5,876 international bearer circuits that Teleglobe America did not acquire from Teleglobe USA)¹⁰ will be sent to you at the earliest practicable time. If you have any questions concerning this matter, please contact the Revenue & Receivables Operations Group at (202) 418-1995.

Sincerely,



Mark A. Reger
Chief Financial Officer

⁷ See *Implementation of Section 9 of the Communications Act*, 10 FCC Rcd at 12761-62.

⁸ *Id.* 12762 (emphasis added); see also *Assessment and Collection of Regulatory Fees for Fiscal Year 2003*, 18 FCC Rcd at 15990 (adopting a cap of \$500,000 applicable both to bankrupt and other regulate[e]s asserting financial hardship”).

⁹ See 47 C.F.R. §1.1160(b) (“[n]o pro-rata refund of an annual fee will be issued”).

¹⁰ See footnote one above (\$109,277.42 minus \$93,583.50 equals \$15,693.92).

0309268835705010



One Discovery Square
12010 Sunset Hills Road
Reston, VA 20190-5856
(703) 766-3061
(703) 766-3104
rogena.harris@teleglobe.com

September 25, 2003

RECEIVED

SEP 25 2003

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA COURIER

Marlene H. Dortch, Secretary
Federal Communications Commission
c/o Vistrionix, Inc.
236 Massachusetts Avenue, NE, Suite 110
Washington, D.C. 20002

Attn: Office of Managing Director, Regulatory Fee Waiver Request

**Re: Annual International Bearer Circuit Fees - Teleglobe America Inc./
Teleglobe USA Inc. (Payment Made by Wire Transfer)**

Dear Secretary Dortch:

Payor Teleglobe America Inc. (Teleglobe America) encloses a completed Form 159 for the submission of FCC annual International Bearer Circuit Fees based on the international bearer circuits held by the bankrupt Teleglobe USA Inc. ("Teleglobe USA") as of December 31, 2002. For the reasons outlined below, Teleglobe America Inc. ("Teleglobe America") has submitted the completed forms with full payment via wire transfer, but requests a waiver and refund of all, or in the alternative a portion of, the submitted fees.

Payor Teleglobe America was just incorporated on December 4, 2002. It had no telecommunications licenses in 2002, had no international bearer circuits, and offered no telecommunications services in 2002. Hence, it did not file a 43.82 international circuit status report for calendar year 2002.

RECEIVED NOV 04 2003

On May 30, 2003, Telelobe America acquired some of the assets formerly held by the bankrupt Telelobe USA (under bankruptcy protection since May 28, 2002).¹ Telelobe America has a request pending at the Commission to transfer Telelobe USA's Section 214 authorization and cable landing licenses to Telelobe America.

Telelobe America, a start-up company, respectfully requests that it not be required to pay this regulatory fee that is based on the circuits held by another company (Telelobe USA) on December 31, 2002. As part of the bankruptcy process, the circuits held by Debtor-in-Possession Telelobe USA Sellers were evaluated in terms of their usefulness to the Telelobe America Buyers throughout the period leading up to the sale of a portion of Telelobe USA's assets to Telelobe America in May 2003. Telelobe America Buyers instructed the Telelobe USA Sellers to reject unneeded circuits, including at least 5,876 64KB or equivalent circuits listed on Telelobe USA's December 31, 2002 international circuit status report. Hence, Telelobe America never acquired from Telelobe USA at least 5,876 of the circuits upon which this fee is based.

Telelobe America did not acquire Telelobe USA; rather, on May 30, 2003, Telelobe America acquired certain assets of Telelobe USA, to include some of the circuits listed on the international circuit status report of Telelobe USA for 2002. As mentioned previously, Telelobe America has asked the Commission to assign the Section 214 authorization of Telelobe USA to Telelobe America, rather than applying for its own new Section 214 authorization. Telelobe America has been unable, to date, to locate or to obtain clear guidance from the Commission regarding the payment of this fee by a company acquiring some circuits held last year by a company under bankruptcy protection. Therefore, in accordance with 47 C.F.R. § 1.1166(c), Telelobe America is submitting the fee along with this request that the Commission either 1) determine that payor Telelobe America does not owe this fee, or if owed, to waive it in its entirety; or 2) waive the portion of the fee attributable to circuits Telelobe America never acquired, and/or waive at least that portion of the fee attributable to January – May 28, 2002, a period during which obligations of Telelobe USA are treated as pre-petition debt. Telelobe America submits that Commission claims for pre-petition debt of Telelobe USA are a matter for the U.S. Bankruptcy Court for the District of Delaware.

With respect to any portion of the international bearer circuit fees that the Commission determines that Telelobe America owes, the Company respectfully requests a waiver. It is an

¹ On May 28, 2002, Telelobe USA filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware ("Bankruptcy Court") (*Telelobe Communications Corporation, a Delaware Corporation, et al*, Jointly Administered Case No. 02-11518 (MFW) (Bankr. Del., May 28, 2002)). The Order Implementing the Protections of Sections 362 and 525 of the Bankruptcy Code in that proceeding is attached. Telelobe USA and certain affiliates ("Telelobe USA Sellers") entered into a Purchase Agreement dated September 18, 2002 (the "Purchase Agreement") with TLGB Acquisition LLC (an affiliate of Telelobe America) and certain affiliates ("Telelobe America Buyers") (copy attached). Under the terms of the Purchase Agreement, the Telelobe USA Sellers agreed to sell to the Telelobe America Buyers certain assets. On October 10, 2002, the Bankruptcy Court entered an order approving Purchase Agreement. On May 20, 2003, the Bankruptcy Court entered an order authorizing the Telelobe USA Sellers to consummate the sale. The sale to Telelobe America Buyers occurred on May 30, 2003.

unwarranted hardship on a start-up company to pay fees based upon last year's circuit configuration of another company, some of which circuits Telelobe America did not acquire. The Commission has noted its practice of reconciling its regulatory responsibilities with the goals of the Bankruptcy Act."² The grant of a waiver would serve the public interest by allowing Telelobe America to become an effective competitor in the telecommunications marketplace, unburdened at its inception by financial obligations attributable to the operations and assets of Telelobe USA, some of which were never acquired by Telelobe America.

Should the Commission determine that its rules require Telelobe America to pay fees attributable to Telelobe USA's 2002 use of these circuits post-petition, but not pre-petition, the following calculation is offered. The full fee in question is \$109,272.42, based on Telelobe USA's circuits as of December 31, 2002. (This includes the 5876 circuits that Telelobe America never acquired from Telelobe USA. If one deletes the 5876 circuits (minimum) Telelobe America did not acquire, the starting number becomes \$93,583.50 instead of \$109,272.42.) The portion of the full \$109,272.42 attributable to the pre-petition period equals \$44,649.16. That amount was calculated as follows:

| | |
|---|----------------------------|
| \$109,272.42 for 12 months = | \$9,106.04 for 1 month |
| January through April - 4 months - 4 x \$9,106.04 = | \$36,424.16 |
| \$9,106.04 ÷ 31 = \$293.75 per day for the month of May | |
| Bankruptcy filed on 28 May 2002 - \$293.75 x 28 = | <u>8,225.00</u> |
| | \$44,649.16 (pre-petition) |

The portion of \$93,583.50 attributable to the pre-petition period equals \$38,238.48. That amount was calculated as follows:

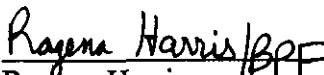
| | |
|---|----------------------------|
| \$93,583.50 for 12 months = | \$7,798.63 for 1 month |
| January through April - 4 months - 4 x \$7,798.63 = | \$31,194.52 |
| \$7,798.63 ÷ 31 = \$251.57 per day for the month of May | |
| Bankruptcy filed on 28 May 2002 - \$251.57 x 28 = | <u>7,043.96</u> |
| | \$38,238.48 (pre-petition) |

² In the Matter of Assessment and Collection of Regulatory Fees for Fiscal Year 2003, Report and Order, MD Docket No. 03-83, released July 25, 2003, at fn 16.

Marlene H. Dortch, Secretary
September 25, 2003
Page 4

Thank you for your consideration. If the Commission has any questions in this matter, or desires additional information, please contact me at (703) 766-3061.

Respectfully submitted,
TELEGLOBE AMERICA INC.


Rogen Harris
Senior Counsel

Enclosures

1. FCC Form 159
2. Order Implementing the Protections of Sections 362 and 525 of the Bankruptcy Code
3. Purchase Agreement

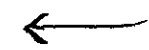
cc: Michael Wu
Acting General Counsel

AR012-A
11/06/2003
7:50:32

RAMIS ACCOUNTS RECEIVABLE - (c) DSG, Inc.
RECEIPTS DETAIL REPORT
SORTED BY TRANSACTION DATE, CD No., FEE CONTROL No.

PAGE 1
11/06/2003
7:50:32

| CD No. | CD DATE | FEE CONTROL No. | FRN | PAYER NAME | TRANSACTION DATE | RECEIPT AMOUNT |
|---|---------|------------------|------------|------------------------|------------------|----------------|
| 743675 | 9/25/03 | 0309268835705010 | 0009480302 | Teleglobe America Inc. | 9/25/03 | \$109,272.42 |
| Seq: 1 Call Sign: FCC Code 1: FCC Code 2: Tin Number: | | | | | | |
| PTC: 0376 QTY: 40926 Applied Amt: 109272.42 | | | | | | |
| Applicant Name: TELEGLOBE AMERICA INC | | | | | | |
| Address: 11495 COMMERCE PARK DRIVE | | | | | | |
| 743675 | 9/25/03 | 0309268835706003 | 0009480302 | Teleglobe America Inc. | 9/25/03 | \$22,159.42 |
| Seq: 1 Call Sign: FCC Code 1: FCC Code 2: Tin Number: | | | | | | |
| PTC: 0372 QTY: 11135386 Applied Amt: 22159.42 | | | | | | |
| Applicant Name: TELEGLOBE USA INC | | | | | | |
| Address: 11495 COMMERCE PARK DRIVE | | | | | | |
| Total: | | | | \$131,431.84 | | |



refund \$15,693.92

ENCLOSURE 1

FCC Form 159

" WIRE TRANSFER-PROCESSING FEE PAYMENT"

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589

Page 1 of 1

| | | | |
|---|--|---|-------------------------------|
| (1) LOCK BOX # 385535 | | SPECIAL USE ONLY | |
| SECTION A - PAYER INFORMATION | | | |
| (2) PAYER NAME (If paying by credit card enter name exactly as it appears on the card) Teleglobe America Inc. | | (3) TOTAL AMOUNT PAID (U S Dollars and cents) \$ 109,272.42 | |
| (4) STREET ADDRESS LINE NO.1 1 Discovery Square | | | |
| (5) STREET ADDRESS LINE NO.2 Sunset Hills Rd. | | | |
| (6) CITY Reston | | (7) STATE VA | (8) ZIP CODE 20190 |
| (9) DAYTIME TELEPHONE NUMBER (include area code) 703- 766-3034 | | (10) COUNTRY CODE (if not in U.S.A.) | |
| FCC REGISTRATION NUMBER (FRN) REQUIRED | | | |
| (11) PAYER (FRN) 0009480302 | | | |
| IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET | | | |
| (13) APPLICANT NAME Teleglobe America Inc. | | | |
| (14) STREET ADDRESS LINE NO.1 11495 Commerce Park Drive | | | |
| (15) STREET ADDRESS LINE NO.2 | | | |
| (16) CITY Reston | | (17) STATE VA | (18) ZIP CODE 20191 |
| (19) DAYTIME TELEPHONE NUMBER (include area code) 703-766-3034 | | (20) COUNTRY CODE (if not in U.S.A.) | |
| FCC REGISTRATION NUMBER (FRN) REQUIRED | | | |
| (21) APPLICANT (FRN) 0003-7663-00 | | | |
| COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET | | | |
| (23A) CALL SIGN/OTHER ID | (24A) PAYMENT TYPE CODE 0376 | (25A) QUANTITY 40926 | |
| (26A) FEE DUE FOR (PTC) | (27A) TOTAL FEE 109,272.42 | FCC USE ONLY | |
| (28A) FCC CODE 1 | | (29A) FCC CODE 2 | |
| (23B) CALL SIGN/OTHER ID | (24B) PAYMENT TYPE CODE | (25B) QUANTITY | |
| (26B) FEE DUE FOR (PTC) | (27B) TOTAL FEE | FCC USE ONLY | |
| (28B) FCC CODE 1 | | (29B) FCC CODE 2 | |
| SECTION D - CERTIFICATION | | | |
| CERTIFICATION STATEMENT I, <u>Michael C. Wye</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief. | | | |
| SIGNATURE <u>[Signature]</u> | | DATE <u>25 Sep 03</u> | |

ENCLOSURE 2

Order Implementing the Protections of Sections 362 and 525 of the Bankruptcy Code

ORIGINAL

UNITED STATES BANKRUPTCY COURT DISTRICT OF DELAWARE

In re: :
: Chapter 11
TELEGLOBE COMMUNICATIONS :
CORPORATION, a Delaware : Jointly Administered
corporation, et al.¹ : Case No. 02-11518 (MFW)
: [Re: Docket No. 8]
Debtors. :

ORDER IMPLEMENTING THE PROTECTIONS OF SECTIONS 362 AND 525 OF THE BANKRUPTCY CODE

This matter coming before the Court on the Motion of Debtors and Debtors in Possession Implementing the Protections of Sections 362 and 525 of the Bankruptcy Code (the "Motion") filed by the above-captioned debtors or debtors in possession (collectively, the "Debtors"), the Court having reviewed the Motion and having heard the statements of counsel regarding the relief requested in the Motion at a hearing before the Court (the "Hearing"); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and (c) notice of the Motion and the Hearing was sufficient under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein;

¹ The Debtors are the following eleven entities. Teleglobe Communications Corporation, Teleglobe USA Inc., Optel Telecommunications, Inc., Teleglobe Holdings (U.S.) Corporation, Teleglobe Marine (U.S.) Inc., Teleglobe Holding Corp., Teleglobe Telecom Corporation, Teleglobe Investment Corp., Teleglobe Luxembourg LLC, Teleglobe Puerto Rico Inc. and Teleglobe Submarine Inc.

IT IS HEREBY ORDERED THAT:

1 The Motion is GRANTED

2. Capitalized terms not otherwise defined herein have the meanings given to them in the Motion

3 In accordance with section 362 of the Bankruptcy Code, all persons (including individuals, partnerships, corporations and all those acting for or on their behalf), and all governmental units (including the United States of America and any State, Commonwealth, District, Territory, municipality, department, agency or instrumentality of the United States, a State, a Commonwealth, a District, a Territory, a municipality, a governmentally-owned utility company, a foreign state, or other foreign or domestic governments, and all those acting for or on their behalf) (each, a "Government Unit") are stayed and restrained, pursuant to and to the extent provided in section 362(a) of the Bankruptcy Code, from:

- (a) commencing or continuing, including the issuance or employment of process, any judicial, administrative or other proceeding against any of the Debtors, that was or could have been commenced before the commencement of the Debtors' chapter 11 cases,
- (b) enforcing, against any of the Debtors or against property of any of the Debtors' estates, a judgment obtained before the commencement of the Debtors' chapter 11 cases;
- (c) taking any act to obtain possession of property of any of the Debtors' estates or of property from any of the Debtors' estates or to exercise control over property of any of the Debtors' estates,
- (d) taking any act to create, perfect or enforce any lien against property of any of the Debtors' estates,
- (e) taking any act to create, perfect or enforce against property of any of the Debtors, any lien to the extent that such lien secures a claim that arose before the commencement of the Debtors' chapter 11 cases,

- (f) taking any act to collect, assess or recover a claim against any of the Debtors that arose before the commencement of the Debtors' chapter 11 cases;
- (g) offsetting any debt owing to any of the Debtors that arose before the commencement of the Debtors' chapter 11 cases against any claims against such Debtor; and
- (h) commencing or continuing a proceeding before the United States Tax Court concerning any of the Debtors.

4 In accordance with section 362 of the Bankruptcy Code, all persons and all Governmental Units, and those acting for or on their behalf, including sheriffs, marshals, constables and other or similar law enforcement officers and officials, are stayed and restrained from in any way seizing, attaching, foreclosing upon, taking possession or custody of, levying against or in any way interfering with any and all of the property of the Debtors, wherever located

5. In accordance with section 525 of the Bankruptcy Code, no Governmental Unit may deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, or discriminate with respect to such a grant against any of the Debtors, or any affiliate or other person or entity with whom any of the Debtors has been associated, solely because any of the Debtors are, or have been, debtors under the Bankruptcy Code or have been insolvent prior to or during these chapter 11 cases

6 This Order shall not affect the exceptions to the automatic stay contained in section 362(b) of the Bankruptcy Code

7 On request of a party in interest, and after notice and a hearing, this Court may grant relief from the restraints imposed herein in the event it is necessary, appropriate and warranted to so terminate, annul, modify or condition the relief granted herein.

8. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

9 The Debtors are hereby authorized to serve a copy of this entered Order upon such creditors and other parties in interest as they deem necessary or appropriate

Dated May 29 2002

Mary J. Walcott
UNITED STATES BANKRUPTCY JUDGE

ENCLOSURE 3

Purchase Agreement

EXECUTION COPY

PURCHASE AGREEMENT

dated as of

September 18, 2002

among

TLGB ACQUISITION LLC,

AS BUYER,

and

TELEGLOBE INC.,

TELEGLOBE USA INC.,

AND THE OTHER PARTIES LISTED AS "KEY SELLERS"

ON THE SIGNATURE PAGES HERETO,

AS KEY SELLERS